

## Message Text

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ACTION EB-08

INFO OCT-01 ARA-10 IO-13 ISO-00 L-03 FRB-03 OMB-01  
ITC-01 SP-02 AGRE-00 AID-05 CIAE-00 COME-00  
INR-10 LAB-04 NSAE-00 OIC-02 SIL-01 STR-07  
TRSE-00 CEA-01 SS-15 PA-01 ICAC-00 NSCE-00 INRE-00  
SSO-00 /088 W

-----043577 242219Z /63

O 142150Z APR 78

FM AMEMBASSY MEXICO

TO SECSTATE WASHDC IMMEDIATE 9732

INFO USMISSION GENEVA

LIMITED OFFICIAL USE SECTION 01 OF 02 MEXICO 06720

GENEVA FOR PHELAN

E.O. 11652: N/A

TAGS: EGEN, ETRD, MX

SUBJECT: TEXTILE NEGOTIATIONS WITH MEXICO: REQUEST FOR  
CIRCULAR 175 AUTHORITY

REF: A) ST. JOHN/BERRY TELCON APRIL 21, B) ST. JOHN/BREW  
TELCON APRIL 22

1. AS REPORTED REFTELCONS, MEXICAN DELEGATION WILL BE  
UNABLE TO TABLE A PROPOSAL, OR TO REACT CONSTRUCTIVELY TO  
A US PROPOSAL, UNTIL IT HAS ANALYZED LAST 3 YEARS US/  
MEXICO TEXTILE TRADE IN TERMS OF NEW CATEGORY SYSTEM.  
MEXDEL SAYS THIS WILL TAKE AT LEAST 2 WEEKS. IN THESE  
CIRCUMSTANCES, USDEL HAS DECIDED NOT TO TABLE A FULL  
INITIAL PROPOSAL UNTIL SECOND ROUND OF NEGOTIATIONS, WHICH  
WILL BE SCHEDULED TO TAKE PLACE IN WASHINGTON SOMETIME IN  
JUNE. IN THE MEANTIME, BOTH DELEGATIONS HAVE AGREED TO  
EXTEND THE EXISTING AGREEMENT FOR 2 MONTHS (TO JUNE 30,  
1978) IN ORDER TO PROVIDE TIME TO COMPLETE THE NEGOTIATIONS.

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AGREEMENT HAS ALSO BEEN REACHED ON THE OUTSTANDING THIRD-  
YEAR LEVELS FOR THE EXISTING AGREEMENT. EMBASSY REQUESTS  
AUTHORITY TO EXCHANGE NOTES FOR BOTH PURPOSES ASAP. AGREED  
TEXT OF NOTES FOLLOWS:

A) NOTE REGARDING 3RD YEAR LEVELS. BEGIN TEXT:  
EXCELLENCY: I HAVE THE HONOR TO REFER TO THE BILATERAL

AGREEMENT OF MAY 12, 1975, AS AMENDED, BETWEEN OUR TWO GOVERNMENTS CONCERNING TRADE IN COTTON, WOOL AND MAN-MADE FIBER TEXTILES AND TEXTILE PRODUCTS (HEREAFTER REFERRED TO AS THE AGREEMENT). I HAVE FURTHER THE HONOR TO REFER TO RECENT DISCUSSIONS HELD IN MEXICO CITY BETWEEN REPRESENTATIVES OF OUR TWO GOVERNMENTS. AS A RESULT OF THESE DISCUSSIONS, I WISH TO PROPOSE THAT THE AGREEMENT BE FURTHER AMENDED AS FOLLOWS:

1. IN THE THIRD AGREEMENT YEAR (5/1/77 - 4/30/78):

A) CATEGORIES 42 AND 43 ARE MERGED. THIS MERGED CATEGORY IS SUBJECT TO A CONSULTATION LEVEL OF 2,000,000 SQUARE YARDS EQUIVALENT (SYE).

B) CATEGORIES 116 AND 117 ARE MERGED. THIS MERGED CATEGORY IS SUBJECT TO A CONSULTATION LEVEL OF 200,000 SYE.

C) THE FOLLOWING CATEGORIES ARE SUBJECT TO THE CONSULTATION LEVELS SPECIFIED BELOW:

CATEGORY	SYE
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15	2,000,000
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24	2,500,000
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30/31	2,000,000
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39	2,000,000
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46	1,500,000
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49	2,500,000
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50/51	6,000,000
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(SUBLIMIT 50	3,750,000)
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(SUBLIMIT 51	3,750,000)
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52	900,000
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53	1,050,000
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63	3,000,000
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64	1,000,000
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104	650,000
-----	---------

121	550,000
-----	---------

122	800,000
-----	---------

200	24,000,000
-----	------------

201	11,500,000
-----	------------

202	5,100,000
-----	-----------

204	10,300,000
-----	------------

205	3,500,000
-----	-----------

208	5,000,000
-----	-----------

209	3,000,000
-----	-----------

213	23,000,000
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216	5,500,000
217	4,000,000
222	4,000,000
223	8,000,000
228	2,600,000
230	2,000,000
232	5,000,000
237	850,000
242	1,700,000

2. THE SPECIFIC LIMIT FOR CATEGORY 238 FOR THE THIRD AGREEMENT YEAR IS CHANGED TO 18,038,000 SYE.

3. THE SPECIFIC LIMITS FOR CATEGORIES 9/10, 22/23, 26/27, AND THE DUCK SUBCEILING FOR THE THIRD AGREEMENT LIMITED OFFICIAL USE

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YEAR ARE AS FOLLOWS:

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ITC-01 SP-02 AGRE-00 AID-05 CIAE-00 COME-00  
INR-10 LAB-04 NSAE-00 OIC-02 SIL-01 STR-07  
TRSE-00 CEA-01 SS-15 PA-01 ICAE-00 NSCE-00 INRE-00  
SSO-00 /088 W

-----043597 242217Z /63

O 142150Z APR 78

FM AMEMBASSY MEXICO

TO SECSTATE WASHDC IMMEDIATE 9733

INFO USMISSION GENEVA

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CATEGORY	SYE
9/10	18,190,000
22/23	28,000,000
26/27	18,000,000

(DUCK SUBCEILING) 9,630,000

IF THE FOREGOING CONFORMS WITH THE UNDERSTANDING OF YOUR GOVERNMENT, THIS NOTE AND YOUR NOTE OF CONFIRMATION ON BEHALF OF THE GOVERNMENT OF MEXICO SHALL CONSTITUTE AN AGREEMENT BETWEEN OUR TWO GOVERNMENTS WHICH FURTHER AMENDS THE AGREEMENT, EFFECTIVE ON THE DATE OF YOUR NOTE OF ACCEPTANCE.

ACCEPT, EXCELLENCY, THE RENEWED ASSURANCES OF MY HIGHEST CONSIDERATION. END TEXT.

B) NOTE REGARDING EXTENSION. BEGIN TEXT:

EXCELLENCY: I HAVE THE HONOR TO REFER TO THE ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES DONE IN GENEVA ON DECEMBER 20, 1973 ("THE ARRANGEMENT"), AS EXTENDED, LIMITED OFFICIAL USE

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AND TO THE AGREEMENT ON TRADE IN COTTON, WOOL AND MAN-MADE FIBER TEXTILES BETWEEN OUR TWO GOVERNMENTS OF MAY 12, 1975, AS AMENDED BY THE EXCHANGE OF NOTES OF MARCH 16, 1976, MAY 24, 1977, AND DURING THE RECENT DISCUSSIONS HELD IN MEXICO CITY BETWEEN REPRESENTATIVES OF OUR TWO GOVERNMENTS APRIL 17-26, 1978. AS A RESULT OF THOSE DISCUSSIONS, I PROPOSE ON BEHALF OF MY GOVERNMENT THAT THE AGREEMENT BE AMENDED AS FOLLOWS:

1. THE TERM OF THIS AGREEMENT SHALL BE EXTENDED THROUGH JUNE 30, 1978.
2. THE AGREEMENT YEAR COVERING THE PERIOD MAY 1, 1977, THROUGH APRIL 30, 1978, SHALL BE EXTENDED TO INCLUDE THE PERIOD FROM MAY 1, 1978 TO JUNE 30, 1978. ALL LEVELS APPLICABLE TO THE AGREEMENT PERIOD OF MAY 1, 1977 TO JUNE 30, 1978 SHALL BE EQUAL TO THE CORRESPONDING LEVELS APPLICABLE TO THE AGREEMENT YEAR ENDING APRIL 30, 1978, MULTIPLIED BY 1.166667.

IF THIS PROPOSAL IS ACCEPTABLE TO THE GOVERNMENT OF MEXICO, THIS NOTE AND YOUR EXCELLENCY'S NOTE OF ACCEPTANCE ON BEHALF OF YOUR GOVERNMENT SHALL CONSTITUTE AN AGREEMENT BETWEEN OUR TWO GOVERNMENTS, AMENDING THE AGREEMENT.

ACCEPT, EXCELLENCY, THE RENEWED ASSURANCES OF MY HIGHEST CONSIDERATION. END TEXT. THOMPSON

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## Message Attributes

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**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TEXTILES, NEGOTIATIONS, TRADE AGREEMENTS, TRADE DATA  
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**Copy:** SINGLE  
**Draft Date:** 14 apr 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Review Exemptions:** n/a  
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**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** TEXTILE NEGOTIATIONS WITH MEXICO: REQUEST FOR CIRCULAR 175 AUTHORITY  
**TAGS:** EGEN, ETRD, MX, US  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014